DOCUMENT RESUME

ED 257 330 HE 018 358

AUTHOR Fullerton, Doug
TITLE Revenues and Expenses of Intercollegiate Athletics: A Comparison of MSU and its Peer Campuses. Institutional Research Report No. 85-09.
INSTITUTION Montana State Univ., Bozeman. Office of Institutional Research.
PUB DATE Apr 85
NOTE 30p.
PUB TYPE Reports - Research/Technical (143)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS *Athletics; Comparative Analysis; Expenditures; Financial Support; Higher Education; Income; *Intercollegiate Cooperation; *Program Costs; *Resource Allocation; Salaries; *State Universities; Womens Athletics
IDENTIFIERS College Athletics; *Montana State University; *Peer Institutions

ABSTRACT

Athletic funding at Montana State University (MSU) and at peer institutions were compared. After providing a historical overview of intercollegiate athletic funding, 1983 fiscal year revenues and expenses of athletic programs were compared for universities participating in the Big Sky and Mountain West conferences. Athletic programs with similar goals and structures were examined to determine if their funding levels were similar. The following five categories of revenues were assessed: ticket sales, student fee support, booster monies, general fund support, and all others. Comparisons of athletic staff salaries were also made, and reasons for increasing costs of intercollegiate athletics were considered. It was found that concern over intercollegiate athletic funding was widespread, and local factors greatly affected expenses and revenues. Although it was extremely difficult to clearly distinguish men's and women's funding levels throughout the league, MSU appeared to be firmly committed to a legitimate level of support for its women's athletic programs. Although MSU's general fund support for athletics was strong, the lack of other funding sources created a financial disadvantage for MSU teams. (Author/SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED257330

MONTANA STATE UNIVERSITY

Office of Institutional Research

Revenues and Expenses of Intercollegiate Athletics: A Comparison of MSU and its Peer Campuses

Report No. 85-99

April 1985

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Montana State Univ

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☐ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

HE018 358

Prepared by:
Doug Fullerton
Intern

Data Source:
MSU Phone Survey
Campus Financial Reports

(406) 994-2761

307 Montana Hall
Bozeman, MT 59717

ABSTRACT

This study investigated:

1) Whether Montana State University's athletic programs are funded similarly to those of peer institutions in the Big Sky and Mountain West athletic conferences, and

2) How components of that general funding differ among institutions, particularly in relation to factors such as organizational structure and local population.

This report first provides an historical overview of intercollegiate athletic funding and then proceeds to a specific comparison of the 1983 fiscal year revenues and expenses of athletic programs for universities participating in the Big Sky and Mountain West conferences. The report concludes that concern over intercollegiate athletic funding is widespread; that local factors greatly affect expenses and revenues; that, although it is extremely difficult to clearly distinguish men's and women's funding levels throughout the league, MSU appears to be firmly committed to a legitimate level of support for its women's athletic programs; and that although MSU's general fund support for athletics is strong, the lack of other funding sources create a financial disadvantage for MSU teams.

This study was conducted by Doug Fullerton, the Assistant Director of Men's Athletics at Montana State University, in cooperation with the Office of Institutional Research. This study relied on self reported information from participating institutions which was, at times, somewhat incomplete. A continuing series of analyses is planned and as the method of collection of data is standardized, the reliability of these data will certainly improve. It is hoped that this information will be important to all involved in or interested in these programs.

TABLE OF CONTENTS

	Page
FOREWARD	1
TABLE OF CONTENTS	ii
I. NATURE AND HISTORICAL SIGNIFICANCE OF THE PROBLEM	1
Statement of the Problem	2
Statement of Philosophy -- MSU Athletic Commission, adopted 1983	3
Review of Related Literature	4
II. METHOD OF ANALYSIS	10
III. RESULTS AND CONCLUSIONS	11
Academic Standards	11
Revenues	12
Table I	13
Table II	14
Expenditures for Intercollegiate Athletics	14
Table III	15
Table IV	16
Table V	16
Table VI	17
Table VII	17
Table VIII	18
Salaries	18
Table IX	19
Table X	19
Table XI	19
The Rising Costs of Intercollegiate Athletics	21
CONCLUSIONS	22
BIBLIOGRAPHY	24
APPENDIX	25
Recommendations for Future Study	26

I. NATURE AND HISTORICAL SIGNIFICANCE OF THE PROBLEM

As early as 1918, Thorstein Veblen, in his commentary of the commercialization of higher education, recognized intercollegiate athletics as a source of major concern.[1] The scholar from the University of Chicago would have been hard pressed to imagine the proportions to which this part of college has grown. Sixty-six years later, a select committee on problems in intercollegiate athletics, convened at the request of the NCAA, focused on many of the same issues.

Intercollegiate athletics are primarily not self-sustaining.[2] The purpose of this study was to generally describe how this multi-billion dollar industry is sustained and to determine how athletic programs in MSU's conferences are currently funded. The basic question of the appropriateness of interscholastic athletic endeavors on the university campuses is not the issue in this study. Much literature documents the expectency and traditional "home" for athletics on campuses (Savage, 1929; Watson, 1983; and others). Also documented are the relationships between an institution's athletic program and public image and funding.[3] Rather, the issue is what constitutes appropriate funding for programs that are assumed to be a permanent part of the campus scene.

Funding for these programs is a particularly timely subject. Its timeliness is affected by the following:

---

[1]Veblen, Thorstin. The Higher Learning in America. Stanford, California: Academic Reprints, 1954 (copyright: B. W. Huebsch, 1918), p. 229.

[2]Lopiano, Donna A. "Solving the Financial Crisis in Intercollegiate Athletics". Educational Record, 60 (4): 1979, p. 394-408.

[3]Sigelman, L. and Carter, R. "Win One for the Giver?...Alumni Giving and Big Time College Sports". Social Sciences Quarterly: 1979, p. 60, 284-294.

1. Cries for accountability, both from the public and political sector;
2. Pressure to have competitive programs promoted by television and other mass-media exposure;
3. Inflation, particularly energy costs, which impacts uniquely on an industry dependent on travel;
4. The universities' general fight for scarcer resources of money and students; and,
5. The proliferation of new programs, particularly women's intercollegiate athletic programs.

Statement of the Problem

It was the purpose of this study to determine if, in fact, Montana State University's athletics programs are funded similarly to those of peer institutions in the Big Sky Conference. Secondly, it will identify areas of difference and isolate the factors which contribute to the differences. "Funded similarly" will be defined for this presentation to mean receiving revenues from like sources and in like percentages of total revenues. "Peer institutions" are considered to be the other institutions of the Big Sky Conference and the Mountain West Athletic Conference.

It would seem presumptuous to assume that all members of the Big Sky and Mountain West Athletic Conferences share the same goals and objectives for their athletic departments. Therefore this study solicited statements of goals or purposes from the peer campuses.

However, only two schools responded to a question attempting to document the philosophy guiding their athletic programs. This lack of response should not be construed to mean that the other schools have no philosophy. It was

merely not offered. Eastern Washington University offered a statement of department goals for their women's program and Montana State (men and women) offered the following Statement of Philosophy.

Statement of Philosophy -- MSU Athletic Commission, adopted 1983

"The role of intercollegiate athletics at Montana State University is to provide a competitive athletic program for men and women that is consistent and parallel with the University's philosophy and total educational experience.

"While the student should be afforded the opportunity to develop and excel in his or her athletic ability, we believe this effort should be supportive of and contribute to the primary goal of academic pursuits. Thus, the role of intercollegiate athletics is to encourage mutually supportive relationships between the athlete and academics.

"We further believe that it is necessary to provide the equal and quality opportunity for students to compete in athletics, regardless of sex, race, creed or national origin, based on their interests, abilities and institutional availability. Athletic decisions should be made with equal regard to all intercollegiate athletic programs.

"We recognize the need for Montana State University athletic programs to serve as a medium between the University and community. This promotes pride in the University among the students, faculty and citizens of Montana."

This statement indeed points to the fact that an athletic program in a modern-day university interfaces with many publics and reflects very vividly the divergent goal structures of those publics. Montana State University's statement includes some subtleties that warrant comment:

The general direction of this statement reflects the overriding concern for the "student" in the term 'student-athlete'. It describes the athletic effort as "supportive" to the primary goal of academic pursuits.

This statement is expressly supportive to the concept of equal opportunity, an idea that will become evident again in the funding analysis.

The statement expresses a desire to provide a "competitive" athletic program. Finally, the Statement of Philosophy recognizes the athletic programs' link between the University and the community.

The study also sought to document the financial goals of the athletic programs at peer campuses. Six of the seven Big Sky schools listed "to earn sufficient revenues to cover the expenses of the athletic programs" as the best description of their fiscal objectives. In all cases, the Big Sky schools fail in that goal. The Mountain West schools that responded in terms of their women's programs only, both listed "to earn as much revenue as possible with deficits covered by general operating funds of the university" as the best description of their fiscal objectives. It would seem that the only difference between these goals are the levels of financial expectations between the men's and women's programs. The study attempted to examine programs with similar goals and structures to determine if their funding levels are also similar.

Review of Related Literature

A criticism of athletic administrators over the years has been that they have failed to defend or explain their progress in a scholarly fashion. This has been particularly true in the rather young (22-year old) Big Sky Conference and the younger (7-year old) I-AA division of the NCAA. Given this lack of specific literature, this investigator attempted to develop a framework based on the more general works dealing with college athletics.

Thorstein Veblen in his 1918 work, The Higher Learning in America, was perhaps the first author to discuss the financial pitfalls of our universities' growing love affair with athletics. He writes, "There is considerable evidence that intercollegiate athletics generally cannot even pay for them-

selves, much less serve a positive economic function for the college."[4] Mr. Veblen's concern was for the loss of the status of the pursuit of learning as a university's only significant function to being only its primary function. Athletics was the primary representative of what he referred to as extra-curricular "traffic" that represented the emerging business-like process to business-like ends.

At the turn of the century, students largely controlled college sports. However, as documented by Lewis Cole (1976), the NCAA was formed in 1906 to regulate this industry. "They (coaches) are doing their job in ways no different than their more scholarly-minded colleagues. Schools themselves promote academic competition, devote their programs to the elite and bid for the blue-chip scholar just as avidly as they (coaches) woo the blue-chip athlete".[5]

Cole contends there are three major reasons for increased costs through the early 1970's. First, national championships and bowl games have created a national audience. Secondly, television has learned to serve this national audience and third, schools are willing to travel anywhere to play and recruit to win this national audience. Intercollegiate athletics has followed the pattern of a speculative business. A school decides to spend more money building up a team. It hires a top (and more expensive) coach and the full number of assistants and trainers needed; determines that a number of scholarships will be awarded to the athletic department; invests in equipment, uniforms, a band, cheerleaders, expenses for traveling to out-of-town (state) games;

---

[4]Veblen, The Higher Learning in America: p. 228.

[5]Cole, Lewis. "The NCAA Mass Culture as Big Business", Change. September, 1976: p. 41.

builds a gym; hires administrators "...all in the hopes of creating a champion that will bring prestige to the institution, satisfy the alumni" and in some cases "...slake the economic thirsts that constantly attend the institution's desires to expand."[6]

Does success on the playing fields bring prestige to the university, satisfy the alumni and "slake the economic thirst"? In a 1979 article, Sigelman and Carter reported the study of the relationship success in college athletic programs has on the alumni contributors to the school. The conclusion reached by these researchers is that there is no empirical support for the linkage. There seemed to be some support for a correlation between success and prestige; however, there was none for success and levels of giving.

This is not a surprising finding to this investigator. Nearly half of the contributors to Montana State University's athletic support group (MSU-Athletic Scholarship Association) are not alumni of Montana State University. While common sense indicates that the most constant contributors would be the alumni, this assumption may be false. It would be interesting to conduct further studies concerning the fans who are not alumni.

The question of general athletic economics, however, is the question of this study and the popular myth to be refuted is that colleges and universities' athletic programs turn a profit (for the sake of the IRS, the more elegant term is "net income"). Robert Atwell, in a 1979 article reports that in football, the 177 institutions in NCAA Division I (or less than 10% of the nation's campuses) account for over 80 percent of the total NCAA schools' attendance. The top seven conferences, with 61 member institutions, have

---

[6]Cole, "The NCAA Mass Culture as Big Business", Change, p. 42.

experienced a 16 percent increase in attendance per game since 1970, while the national average was only 6.4 percent. The top seven football conferences account for nearly half the total football attendance.

Institutions seem willing to do whatever is necessary to maintain their desired competitive status (Lopiano, 1979). When campuses face economic hardships, seldom are unilateral cost controls imposed on competitive sports. Likewise, conferences fail to act against escalating costs, as controls may place their programs at a disadvantage with nonconference opponents. The crisis continues.

Dr. Mitchell Raiborn, a CPA and professor of accounting at Texas Tech University, has conducted a ten-year series of analyses for the NCAA. His latest, published in 1982, is a comprehensive look at the funding and expenditures for athletics programs in NCAA institutions. Professor Raiborn classified the institutions along the lines established by the NCAA. Class A institutions included 187 of the 753 member institutions of the NCAA and included all of the NCAA Division I-A and I-AA schools, while the relative strength of Class B B schools lies in the football opponents which they schedule. Class C institutions award significantly less financial aid in their football programs, while subsequent classes (D, E and F) have no intercollegiate football programs.

Montana State University is an NCAA Division I-AA football school and competes in Division I in all other sports except for Women's Tennis, which is Division II.

Some of Raiborn's findings that are particularly pertinent to this work are the following:

1. Division I programs rely primarily on gate receipts, guarantees, and conference, bowl and television income for revenues (43 to 47% gate

incomes), in contrast to Division II and III income which is derived primarily from student fees and direct state (government) support;

2. From 1965 to 1977, gate revenues have been declining as a percentage of total revenues. Division I programs have recovered this loss through private contributions and television money increases. Division II schools have looked to increase direct support to offset this decline;
3. Of the public institutions, 44 percent of the Division I schools require state or government support, in contrast to 96 percent for Division II schools;
4. Practically all athletic programs receive at least indirect (and non-budgeted) university support in the form of facilities, utilities, office space and the like;
5. Typically, only Division I institutions have been able to afford to accumulate permanent investments;
6. As football revenues have shown a decline as a percentage of total revenues since 1961, basketball has shown an increase since 1961;
7. Expenditures have increased more rapidly than the general rate of inflation since 1970 (7 to 9 percent vs. 6 percent compound annual growth). This growth rate is accounted for primarily by increased travel costs and program expansion;
8. Fifty-six percent of all expenditures are in two categories -- athletic scholarships and salaries. An additional 20 to 30 percent is composed of guarantees (monies paid to a visiting team, originally guaranteeing the visiting team's travel and arrival), travel, equipment, uniforms and supplies; and,

9. Finally, and importantly, although the percentage of institutions reporting deficits have decreased in most categories during the past five years, the size of these deficits has increased dramatically. Although all the rich may not be getting richer, the poor certainly are getting poorer.

Recent developments, although not supported by research at this point, would support the statements of the rich getting richer. In recent months, The Supreme Court upheld a lower court ruling overturning the NCAA's long-standing football television pact with the major networks. The 1983 Football Television Committee Report documents the financial impact of this agreement. The total disbursements to the 178 Division I-A and I-AA institutions were $74.3 million in 1983. This agreement required each carrying network to schedule in each two-year period at least 82 different NCAA member institutions. "Division I-AA institutions (including Montana State University) shall appear a minimum of .286 times the number of members of Division I-AA. Of this, two shall be allocated to the members of each I-AA Conference in each such twoyear period. In addition, the games of the Division I-AA Football Championships shall be covered each year."

Since the ruling striking down this agreement (as reported in the July 18, 1984, issue of the Chronicle of Higher Education), the Big 10 and PAC 10 have entered into private agreements to broadcast their games, spurning efforts by the NCAA to establish an acceptable alternate proposal. "College football is in a buyer's market, it is not in a seller's market" (Walter Byers of the NCAA, 1984). Each institution and conference attempting to strike their own television deals will spawn a proliferation of college games, but not teams, on television during the Fall of 1984.

In the following sections, the focus shifts from national studies to a recent regional survey comparing athletic finances of campuses in MSU's men's and women's conferences (the Big Sky and Mountain West Athletic Conferences respectively).

II. METHOD OF ANALYSIS

During late June, 1984, all member institutions of the Big Sky Conference and the Mountain West Athletic Conference received a letter of introduction to this research. Accompanying this letter was a work copy of an athletics finance questionnaire. As stated in the letter, the respondents were asked to complete their work copy and an interview date would be arranged to discuss the data reported.

The interview (often by phone) was used to allow the researcher to look more closely at the interpretations of sources and expenditure categories from institution to institution. As an example, coaches' salaries may be funded from more than one source. This is particularly true when they have some responsibility for academic teaching.

The questionnaire used for data collection was designed by this MSU researcher and pilot tested on the athletic departments (Men's and Women's) at Montana State University. It was designed for ease of data collection and elimination of local interpretations of caveats.

The data were then collected during the months of July and August, with interviews continuing into the fall. One school, Northern Arizona University, was in the process of changing athletic administrators and failed to respond to the questionnaire. Portland State University also failed to respond for their women's programs.

III. RESULTS AND CONCLUSIONS

The information collected was self-reported and was at times incomplete. It is also difficult to compare data from differing accounting systems. However, much of the information was accurate and comparable and is summarized in the following.

Academic Standards

The intercollegiate athletic programs at Montana and Montana State reflect a wish to serve Montanans first, as well as demanding academic standards from all its students. These wishes are manifested in the particular admission standards of the two Montana schools. Out-of-state students have, on record, virtually no chance of admittance at MSU if they are not in the upper one-half of their high school graduating class.

Transfer students must meet particularly restrictive admission requirements, also. The transfering student from out-of-state must first have a 2.0 cumulative GPA. If a student received a non-punitive grade as is offered at some institutions, that grade is interpreted as an 'F' at MSU. To be eligible for athletic aid, the student-athlete must have a 2.0 in solid subjects and 50 percent of all courses taken must be solid subjects.

Three other Big Sky Conference schools joined Montana State University with satisfactory progress requirements more restrictive than the NCAA requires (University of Idaho, Idaho State University and University of Montana), thereby also demonstrating an expectation of above average academic performance from their student-athletes. None, however, are as restrictive as MSU's.

Students at Montana State University will be suspended if they have less than a 2.00 quarterly GPA for three quarters in a row, or three out of the

last four quarters regardless of their cumulative GPA. To remain eligible for fee waivers, the student must pass 80 percent of the credits attempted during the previous academic year and have earned a 2.0 GPA based on all credits attempted. Freshmen will be required to have completed 80 percent of the credits attempted with a 1.9 GPA.

The Big Sky Conference satisfactory progress requirements are simpler, but they too are more restrictive than the NCAA's: Students must complete 36 credits (towards a specific degree) between seasons of competition and maintain the following cumulative GPA:

Big Sky Conference		Mountain West Athletic Conference	
Quarters	GPA	Quarters	GPA
1, 2, 3	1.6	1, 2, 3	1.8
4, 5, 6	1.7	4, 5, 6	1.9
7, 8, 9	1.8	7, 8, 9	2.0
10, 11, 12	1.9	10, 11, 12	2.0
13, 14	1.92	13, 14	2.0

It is important to note that these are merely minimum scores and students who maintained just these minimums would probably be suspended at Montana State University. Students with these minimums, most certainly, would be ineligible for most types of financial aid.

Revenues

For ease of comparison, the following five categories will be examined as revenues sources: ticket sales, student fee support, booster monies, general fund support and all others. It is also important to note at the outset that MSU is the only school with separate men's and women's departments. In Table I, student fee revenue is conspicuously absent for Montana campuses and is offset

by high general fund support. BSU benefits greatly from ticket sales, while UNR enjoys large booster support.

TABLE I (Part 1)

School	Ticket Sales	Student Fee Support	Booster (Support Group)
WSC	585,364	390,858	175,000
U of I	368,454	712,000	360,000
ISU	257,000	317,000	235,000
UNR	347,400	140,000	500,000
UM	484,450	0	188,000
BSU	790,000	250,000	294,000
MSU (men)	396,000	0	237,000
(women)	9,102	0	19,500

TABLE I (Part 2)

School	State General Fund Support	All Others*	Totals
WSC	735,475	171,700	2,058,397
U of I	605,000	167,850	2,213,304
ISU	605,000	166,800	1,580,800
UNR	600,000	76,000	1,663,400
U of M	961,000	182,400	1,815,850
BSU	600,000	127,000	2,061,000
MSU (men)	775,000	115,000**	1,523,000
(women)	569,000	25,000	622,602
MSU Totals	1,344,000	140,000	2,145,602
NAU	No Response		

*Excluding options and guarantees which vary from year-to-year and could distort the totals, and waivers which are reported separately.

**Television contracts, revenues from camps, etc.

Montana State University ranks second in total funds available (men's and women's combined) behind the University of Idaho and followed closely by Boise State University and Weber State College. Montana State University is fourth in ticket sales, receives no student fee support, is fourth in booster club revenues, is sixth in "other revenues", but is first in general fund support.

In this pattern, Montana State follows the trend documented nationwide for a Division II institution, even though it is playing at the Division I level (Raiborn). As was earlier stated, these Division II institutions, because of low population and lack of television opportunities, are forced to turn to general fund revenues for a large percentage of their budgets. The problem at both Montana schools is compounded by the fact that neither school's athletic program receives student fee monies. As shown in Table II, a comparison of total monies from General Fund and student fees gives us a less distorted view of the funding pattern than that generated by a comparison of only general fund support.

TABLE II

School	Combined State General Fund and Student Fees	Per Student Funding
WSC	1,126,333	99.68
U of I	1,317,000	104.36
ISU	920,000	78.51
UNR	740,000	77.89
U of M	961,000	105.12
BSU	850,000	73.20
MSU (men and women)	1,344,000	117.38

Expenditures for Intercollegiate Athletics

Table III compares the total expenditures for the athletic programs on the seven campuses.

TABLE III

School	Total Expenditures	Per Student Expenditures
MSU (men and women)	2,340,085	204.37
U of I	2,299,952	182.25
BSU	2,279,405	196.50
U of M	2,123,500	232.30
WSC	2,047,543	181.20
ISU	1,920,700	164.16
UNR	Not Reported	--
EWU (women)	246,711	--

Although Montana State University ranks first in total expenditures with $2,340,085 for the fiscal year 1983, its expenditures per student are similar to other campuses. The careful reader may note that total expenditures in Table III range higher than the total revenues shown in Table II. This does not necessarily indicate deficit spending, but reflects certain omissions from the countable revenues. As an example, guarantees were not reported as they vary significantly from year to year, and although they balance out over time, they may distort the totals for any particular year.

That Montana State ranks first in total monies raised and spent does not necessarily mean that each sport has more money to spend than does its competitor at another institution. Nor does it mean that these expenditures are not justified given Bozeman's population and location.

As reported by Mitchell Raiborn in 1983, football as a percentage of total budget for Class A institutions nationwide was 41% (as opposed to 34% in Class B institutions). Division I-AA schools such as MSU were counted as Class A institutions for Raiborn's survey, but they retain many of the fiscal characteristics of NCAA Division II or Class B schools.

TABLE IV

School	Football Expenditures	Total Expenditures	Percent of Total Athletic Expenditures Used for Football*
U of I	726,148	2,299,952	32%
UNR	722,588	--	Not Available
U of M	690,000	2,123,500	32%
BSU	690,000	2,270,405	30%
MSU	688,000	2,340,085	29%
ISU	671,400	1,920,700	35%
WSC	640,540	2,047,543	31%

*Excludes fee waivers

Montana State University ranks fifth (out of the seven schools reporting) in football expenditures and seventh in the percentage of the total monies used for intercolleigate sports. These percentages are important, as they lend support to the idea that the Big Sky schools behave fiscally like Division II or Class B institutions in that they fit very well the national averages for these schools. These percentages also are the first evidence of MSU's strong commitment to its women's programs.

In basketball expenditures (Table V), the picture changes:

TABLE V

School	Basketball Expenditures	Percent of Total Budget
U of M	395,000	19%
MSU	377,154	26%
UNR	347,436	Not Available
U of I	319.203	24%
WSC	309,490	15%
BSU	265,000	12%
ISU	262,000	14%

A relatively large percentage of MSU's intercollegiate athletics budget is apparently expended in those sports involving both men's and women's teams (such

as basketball), than those involving only the men's department. This may be partially verified by looking at a sport in which only women are involved.

TABLE VI

School	Total Women's Volleyball Expenditures	Percent of Total Athletic Budget
MSU	106,570	4.5%
U of I	92,798	4.0%
U of M	92,000	4.3%
WSC	85,469	4.1%
EWU	77,390	Not Available
ISU	77,000	4.0%
BSU	(Response Incomplete)	

Although Montana State University seems to be spending more on volleyball than the other institutions, these expenditures are not unusually high when compared as a percentage of the total budget.

The responses to "expenses in other sports" further explain some of the high total expenditures by Montana State University:

TABLE VII

School	Expenditures in "Other" Sports*
MSU	587,220 (both men and women)**
U of I	552,987
U of M	498,500
ISU	459,700
BSU	450,000
WSC	228,935
UNR	Not Reported

*Those except football and men's and women's basketball.

**MSU Men -- $248,000; MSU Women -- $339,220

This particular set of figures, more than any other, demonstrates MSU's strong financial commitment to women's athletic programs. Some overlap exists

in these reported MSU expenditures. The Men's figure includes a combined non-NCAA Rodeo program (men's and women's) operated from within the Men's Department (the total Rodeo budget is $94,620), while the Women's expenditures include a combined skiing program (with $40,000 being designated to Men's skiing).

The administrative expenditures are represented in Table VIII:

TABLE VIII

School	Administrative Expenditures	Percent of Total Budget
BSU	874,405	38%
WSC	825,332	40%
U of I	701,614	31%
MSU	619,068	26%
U of M	540,000	25%
ISU	377,300	20%
UNR	Not Reported	

Particularly interesting is the wide range of percentages, however, this range can be partially explained by differences in accounting practices. The term "administration" seemed to carry a different interpretation in each department.

Salaries

Although complete salary figures were not available for the Mountain West Conference, the following 1983 fiscal year salaries were available for the Big Sky Conference Athletic Directors and coaches in the two dominant sports categories.

TABLE IX

School	Amount of Athletic Director(s)' Salaries
U of I	45,017
UNR	43,573
NAU	42,530
WSC	40,500
MSU	39,100
ISU	39,003
BSU	38,200
U of M	37,500

TABLE X

School	Head Football Coach's Salary	Total Personnel Salaries for Football
U of I	41,802	183,646
WSC	41,333	209,348
NAU	41,280	164,585
BSU	40,000	184,000
UNR	39,234	136,052
U of M	37,500	157,025
ISU	37,003	138,417
MSU	36,800	158,603

TABLE XI

School	Head Basketball Coach's Salary	Total Personnel Salaries for Basketball
WSC	44,586	84,393
UNR	42,223	94,777
U of I	41,509	87,041
BSU	41,008	90,508
NAU	39,000	71,000
U of M	36,328	79,221
MSU	35,000	83,000
ISU	33,404	58,642

It is also of interest to note the make-up of support staff. At Montana State University, the ticket sales and business operation are handled by classified personnel under the direction of the Athletic Directors. At many schools,

a ticket manager and/or business manager has been employed (U of M, ISU, UNR, BSU), whose salary is not counted as an athletic expense.

As salaries vary, so do the perquisites and supplemental income extended to department coaches and administrators. Courtesy automobiles seem to be available to at least the men's head coaches in football and basketball programs throughout the league. Many schools (BSU, WSC, U of M, and UNR) reported as many as 12 cars available. MSU currently has six.

Talent fees represent monies paid to coaches for appearing on radio, TV and the like and are very difficult to document, as many times they are not reported through the university as income, but paid directly to the coaches by the media. Involved again are primarily the head coaches in football and basketball and reliable estimates range as high as $20,000 a year per coach at a school such as Boise. In 1983, MSU paid $1,000 to the head football coach for a ten-week television show.

Sports camps, attracting high school age and younger athletes and primarily operated in the summer, are encouraged by each department and camp directors' fees usually supplement the head coaches' and assistant coaches' incomes. Many states (Idaho, Nevada) allow "full contact" football camps and, therefore, provide opportunity for sizable income. Profits for camps can run as high as $10,000 a week with most staffs running camps from one to three weeks. At Montana State, a one-week football camp barely breaks even with a reported profit of less than $1,000.00; however, men's and women's basketball camps do show a profit. The revenue from MSU's women's camps are used by the department for scholarship supplement and by the men's department as wage supplement for the staff.

A few athletic programs receive institutional funds for courses taught by coaches and athletic administrators. This seems primarily confined to the women's programs and is not widespread.

All schools seem to have a Booster Club Director of some kind whose salary comes directly from the support group's funds. It is also worthwhile to note that all schools employ one to two Sports Information Directors and comparable Training Room staff.

Salary comparisons are usually of particular concern to the public as well as the administrators on the campuses. Salary and personnel studies must be part of any continuing analyses.

The Rising Costs of Intercollegiate Athletics

Specific questions in the survey attempted to document the reasons for the increasing costs in an attempt to project areas of concentration for future efforts at cost control. For the question "to rank from most significant to least significant, the factors affecting costs", the following responses were offered, and are listed as a composite in 'most to least' significant order:

(Most Significant)	1.8	Higher Cost of Annual Scholarship
	3.0	Expansion of Women's Programs
	3.3	Increase in Base Costs of Salaries
	3.8	Increase in Commercial Airfares
	4.8	Increased Recruiting Costs
	6.0	More Staff Personnel
	6.5	Increase in Numbers of Grants
	7.5	More Athletes in Non-revenue Sports
	7.6	Increased Squad Size in Major Sports
	9.0	Expanded Facilities Use
(Least Significant)	10.2	Addition of New Sports

The two departments at Montana State University, (Men's and Women's Athletics), answered somewhat differently in the order, but agreed with each other on the top three factors: Increased Recruiting Costs, Increased Team Travel

Costs, and Increased Annual Scholarship Costs. In the Men's Department alone, this is the third year of the same recruiting and equipment budgets, as any increases over this time period have been used to fund higher scholarships and team travel costs.

IV. CONCLUSIONS

Discussions surrounding intercollegiate athletics and its funding have been recurring nationwide for over 70 years. It is not surprising that they recur at least on a biennial basis in the State of Montana. At this time the following conclusions seem valid.

Montana State University, at least as well as any of its peers, seems to have a sense of purpose for its intercollegiate athletic program. This program's tradition of athletic excellence in the Big Sky Conference not withstanding, it is committed first to attracting legitimate, academically capable students and insisting these students maintain appropriate academic progress.

Finally, Montana State University, by virtue of its separate men's and women's athletic departments and comparably high levels of funding, is committed to a legitimate level of support for its women's athletic program.

These strong commitments are not without accompanying costs, however. As is noted earlier, with no student fee monies available, there is a large commitment of general funds to the athletic programs at both Montana schools. At Montana State University this fact, coupled with the expenditures to maintain a legitimate opportunity for women, produces the highest expenditure of general funds within the peer group. Although it is extremely difficult to cleanly distinguish men's and women's funding levels throughout the league, it is safe to say the MSU women's programs are funded at the top end of the comparative

spectrum and MSU men's programs are at the middle to low end of the scale.

It is important to note that Montana State University has few alternative sources of funding available. Because MSU is located in a community of 30,000, sell-out crowds are rare (statistical analysis of Big Sky ticket sales reveals a strong positive correlation between population within 50 miles a given campus and football attendance at that campus). It is unrealistic to believe that student fee money will be available in the future and current fees, although 'high', are exhausted quickly.

This study is based on self-reported data which, although disappointing in that there are omissions and differences in accounting practices, contains information worthy of discussion. The researcher hopes that it will provide a useful basis for further investigation.

BIBLIOGRAPHY

[1]Atwell, Robert H. "Some Reflections on Collegiate Athletics", Educational Record, 60: Fall, 1979. pp. 367-373.

[2]Cole, Lewis. "The NCAA: Mass Culture as Big Business". Change: September, 1979, pp. 41-46.

[3]Farrell, Charles S. "Football Powers Spurn NCAA's TV Proposal". Chronicle of Higher Education. Volume XXVIII, Number 21: July 18, 1984.

[4]Figler, Stephen K. "Veblen Revisited: Excerpts from the Contemporary Comments of Thorstein Veblen's The Higher Learning in America". Quest, Volume 35: 1983, pp. 21-28.

[5]Hanford, George H. "Controversies in College Sports". Educational Record, 60: Fall, 1979, pp. 351-366.

[6]Lopiano, Donna A. "Solving the Financial Crisis in Intercollegiate Athletics", Educational Record, 60: Fall, 1979, pp. 394-408.

[7]Michener, James A. Sports in America. New York: Random House, 1976.

[8]Raiborn, Mitchell H. Revenue and Expenses of Intercollegiate Athletic Programs. Shawnee Mission, Kansas: National Collegiate Athletics Association, 1982.

[9]Sigelman, L. and Carter, R. "Win One for the Giver?...Alumni Giving and Big Time College Sports". Social Science Quarterly, 60: 1979, pp. 284-294.

[10]Veblen, T. The Higher Learning in America. Stanford, California: Academic Reprints, 1954 (copyright, B. W. Heubsch, 1918).

[11]Watson, Scott B. "The Legitimization of Sport: Pindar and Weiss". Quest, 35: 1983, pp. 37-45.

[12]1983 NCAA Football Television Committee Report. Dallas, Texas: NCAA, 1984.

APPENDIX

RECOMMENDATIONS FOR FUTURE STUDY

1. Initiate analysis to determine the degree to which MSU's student-athletes are attaining their goals of academic, as well as athletic, excellence.
2. Document the economic impact of MSU atletics on the community of Bozeman and the State of Montana. If justified, involve the city and State more directly in promotional efforts.
3. Study the degree to which MSU serves the public relations efforts of Montana State University and the State of Montana and explore all means by which MSU's athletic programs can better serve the State of Montana in these areas.
4. Compare the organizational structure and job description of MSU's departments with those of their peers. Of particular interest are the ancillary positions of ticket manager and business manager and their related staffs.
5. Compare similar expenditure data over time and separated by the criteria of men's and women's programs. The current data represents a "snapshot" of 1983 funding, a year, for example, when MSU's football team traveled by air to compete three times as opposed to only once in 1984. The data should be "separated by gender", otherwise it is very difficult to determine the funding levels for men's and women's programs.